



House of Representatives

General Assembly

File No. 285

January Session, 2005

House Bill No. 5573

House of Representatives, April 12, 2005

The Committee on Environment reported through REP. ROY of the 119th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE MILK REGULATION BOARD AND A STUDY OF THE CONNECTICUT DAIRY INDUSTRY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22-131 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2005*):

3 (a) In accordance with section 4-9a, the Governor, with the advice
4 and consent of either house of the General Assembly, shall appoint
5 ~~[six]~~ eight electors of the state, ~~[two]~~ three of whom are actively
6 engaged in the sale and distribution of milk, two of whom have no
7 active or financial interest in the production or sale of milk, and ~~[two]~~
8 three of whom are actively engaged in the production of milk, which
9 ~~[six]~~ eight electors, with the Commissioner of Public Health, or ~~[his]~~
10 the commissioners designee, and the Commissioner of Agriculture,
11 shall constitute the Milk Regulation Board. The Governor, for cause,
12 after a public hearing, may remove any appointed member of the
13 board.

14 (b) The Milk Regulation Board shall keep a record of all its
 15 proceedings. The Commissioner of Agriculture shall be the
 16 chairperson of the board, shall enforce the regulations established by
 17 the board and shall further administer any other duties prescribed by
 18 the board. The office of the Commissioner of Agriculture shall be the
 19 office of the board. Each of the [six] eight members of the Milk
 20 Regulation Board appointed under the provisions of this section shall
 21 receive seventy-five dollars for each day the member attends a meeting
 22 of the board. The total payments to each member shall not exceed
 23 seven hundred fifty dollars each year, such payments to be made from
 24 the appropriations made for the Commissioner of Agriculture.

25 Sec. 2. (NEW) (*Effective July 1, 2005*) (a) The Milk Regulation Board
 26 shall complete a comprehensive study of the dairy industry in the
 27 state. The study shall include, but not be limited to, the costs of milk
 28 production, the ability of state dairy farmers to meet milk supply
 29 demands, regional milk price equity and milk supply and price issues
 30 relating to dairy farmers, consumers, processors and retailers.

31 (b) Not later than July 1, 2006, the Milk Regulation Board shall
 32 complete the study and report the results of such study, in accordance
 33 with the provisions of section 11-4a of the general statutes, to the joint
 34 standing committee of the General Assembly having cognizance of
 35 matters relating to the environment.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	22-131
Sec. 2	<i>July 1, 2005</i>	New section

ENV *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Department of Agriculture	GF - Cost	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill adds two members to the Milk Regulation Board. Members of the board are eligible for up to \$750 in compensation each year from the Department of Agriculture (DOAG). This change would increase costs to the Department of up to \$1,500 per year.

It is anticipated that if the research and analysis conducted by the University of Connecticut and other sources of the dairy industry can be utilized to complete the study required in the bill, there will be no additional costs incurred by the DOAG. If additional research is necessary, the agency would incur minimal costs.

OLR Bill Analysis

HB 5573

AN ACT CONCERNING THE MILK REGULATION BOARD AND A STUDY OF THE CONNECTICUT DAIRY INDUSTRY**SUMMARY:**

This bill adds two members to the Milk Regulation Board. Under current law, the governor appoints six members from specific constituencies as follows: two members actively engaged in selling and distributing milk, two with no active or financial interest in milk production, and two actively engaged in milk production. The bill adds one gubernatorial appointee actively engaged in the sale or distribution of milk and one actively engaged in the production of milk. By law, unchanged by the bill, the commissioner of Public Health, or his designee, and the agriculture commissioner are board members.

The bill requires the board to complete a comprehensive study of the state's dairy industry and submit a report on it to the Environment Committee by January 1, 2006.

The bill also makes a technical change.

EFFECTIVE DATE: July 1, 2005

DAIRY FARM STABILIZATION STUDY

The study must include the following topics: (1) milk production cost; (2) state dairy farmers' ability to meet milk supply demands; (3) regional milk price equity; and (4) milk supply and price issues relating to dairy farmers, consumers, processors, and retailers.

BACKGROUND***Milk Regulation Board***

By law, board members receive \$75 each day they attend board meetings, up to \$750 per year.

Related Bill

SB 1150 adds milk processors to those who may be appointed to the Milk Regulation Board and increases by two the number of appointees to the board. It requires the governor to appoint four, instead of two, members from those actively engaged in the sale, distribution, and processing of milk. It also requires a study, but that study must examine methods to stabilize dairy farmer income and take into account: (1) state milk production cost; (2) prices paid for milk by consumers; (3) the impact on milk processors licensed in state that compete with milk processors licensed elsewhere; and (4) the public interest.

COMMITTEE ACTION

Environment Committee

Joint Favorable Report

Yea 28 Nay 0